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1. The Chamber of Technology, located in the Soviet sector of Berlin, is an organization established by the Soviet Zone government "for the promotion of industrial production and the stimulation of scientific research" and is under the jurisdiction of the Ministry of Industry. The Chamber of Technology was founded in 1946. Its actual function, however, is to secure for the labor unions in the Soviet Zone a decisive influence on production and research; the "promotion of industrial production" was secondary.
2. With the exception of the president himself, the presidential board is composed of union bosses who are nominated, not elected, on the basis of their political reliability and are neither scientists nor professional engineers. The union bosses put in regular appearances at the plenary sessions of the Chamber, making speeches and urging the production experts to improve the quality and accelerate the industrial output. In the professional committees of the Chamber of Technology, however, the technical discussions are on a broad, objective level. As long as the members of the committees meet for a technical discussion, they are outspoken in their comments, and exchange ideas freely. This spirit of professional cooperation is seriously impaired whenever a committee meeting is called by political functionaries or by the Soviets themselves to discuss particular material deficiencies, or insufficient industrial production, in a specific segment of

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industry. Because the Chamber of Technology was organized by the Soviet Zone government to promote and control the industrial production within the Soviet Zone, the departments and committees of the Chamber normally include only Soviet Zone personnel, primarily scientists, engineers and plant foremen.

- 25X1X 3. [REDACTED] which was the only department or committee in which the Western Zone of Germany is represented, (Normenausschuss), and which is responsible for establishing standards for all Germany and for guaranteeing that the rigidly defined qualities for each product are met. The products are tested in the State Material Testing Bureau, (Staatliches Materialprüfungsamt), in Berlin-Dahlem. After the product has been tested, it is stamped to show the country and plant of its origin, and its guaranteed physical properties. The Material Testing Bureau issued a pamphlet in which the requisite qualities were published. The products gain international standing with this stamp of approval. To emphasize the fact that both the Western and Soviet Zones of Germany were represented in the Committee of Standards, the positions of Chairman and Vice-Chairman of the Committee were divided between the two zones. Until approximately six months ago, Prof Dr Siebel, a technologist from the West sector of Berlin, was the Chairman of the Committee and Prof Dr Frank of the Soviet Zone was Vice-Chairman. I do not recall the name of the man who succeeded Prof Siebel. Prof Frank was placed on the Committee by the Soviets; he is a chemist of recognized ability and is credited with valuable discoveries in the field of nitrogen exploitation. The Frank-Karo treatment of nitrogen as used at the Piesteritz industrial plant is based on his research. Until quite recently Prof Frank was on the staff of the Institute of Technology in the West sector of Berlin, but was requested to resign his position when he openly stated his political views and moved to the Soviet sector of Berlin.
4. In a meeting of the Committee of Standards, which convened in the Spring of 1950 at Halle, in the Soviet Zone, and at which the Western Zone was not represented, Prof Frank stated that it was "a misfortune for us to work according to the directions of the Reichs Committee of Standards". He pointed out that the Material Testing Bureau imposed a strain on Soviet Zone production which it could no longer sustain. Therefore, the Soviet Zone government, through the Chamber of Technology, began to form its own Committee of Standards which it named, in order to confuse the issue as much as possible, the "Commission of Standards", (Normenkommission). The Commission actually came into being in the fall of 1950, under the direction of Mr. Merz, a political functionary. The purpose of the Commission of Standards is to set Soviet Zone standards which the industries could meet without having to adhere to the rigid specifications of the Western Zone. In this way, the Soviet Zone government hoped to keep its products in the world market, whereas they would be unable to compete if judged by Western standards. In the course of one year, 1100 sub-commissions of the Commission of Standards have been established within the Soviet Zone. Because the representatives of the Soviet Zone are unwilling to accept the blame of open secession, the combined Committee of Standards is still in existence; however, the standards set in the Committee no longer are binding to the Soviet Zone. The "Commission of Standards" camouflages the inferior Soviet Zone products, and makes the "people owned" plants more profitable.

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5. The operational procedures of the "Committee" and of the "Commission" of Standards are entirely different. While the Committee establishes its standards in open sessions, using the advice and judgment of experts, the consultations of the Commission are clandestine and make little use of professional opinion. When the Commission formulates a standard, it is then legalized by a formal law issued by the Ministry of Industry, Dept for Supply of Materials. The standards set by the Commission determine for each product a first, second and third quality. The system rigidly followed throughout the Soviet Zone allocates first quality products for Soviet consumption, second quality for export, and third quality for use by Soviet Zone industry. The individual plants are not permitted to sell first quality products to German firms. In order to obtain an item of first quality, a plant or firm must go to the Soviets, who make application to the Ministry of Industry to authorize purchases of first quality goods. Favored treatment in obtaining first quality materials is enjoyed only by key plants engaged in production for Soviet consumption, particularly armament plants, pipe and tube plants, electric motor plants and a cable plant in the Soviet sector of Berlin.

6. I know of cases which reflect the deterioration of the standards of production in the Soviet Zone and which further indicate deterioration within the organizations responsible for these standards, i.e., the Commission of Standards and the Ministry of Industry.

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7. Within the Committee of Standards, [REDACTED] committee for Gaskets and Soft Sealing and Insulating Materials, and belonged to the working committees for paints, [REDACTED] 25X1X c" [REDACTED] natural rubber products, plastics and lubrication oils. [REDACTED] the committee for the protection of metals against corrosion; this committee was located in the branch office of the Chamber of Technology at Halle. As long as the West was represented in the Committee of Standards, [REDACTED] 25X1X to keep the standards high for two reasons: (1) [REDACTED] 25X1X secure good materials for the use of the Leuna Plant and (2) [REDACTED] 25X1X show up the poor quality of the Soviet Zone products. After the Commission of Standards was formed, [REDACTED] 25X1X high standards because the third quality materials had to be adequate for the maintenance of the Leuna Plant.

8. The Soviets and the Soviet Zone government are extremely wary of permitting Soviet Zone technicians and scientists to visit Berlin, as defections to the West are becoming more frequent. Rail and vehicular traffic from the Soviet Zone to Berlin is routed to bypass the West sectors. In addition to these precautions, the Chamber of Technology takes a further precaution in holding committee meetings within the Soviet Zone, and only holds meetings in Berlin every third month.

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